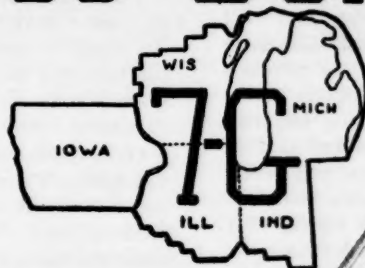


BUSINESS CONDITIONS

SEVENTH
FEDERAL



RESERVE
DISTRICT

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NATIONAL SUMMARY OF BUSINESS CONDITIONS

INDUSTRIAL activity continued at a high level in April, and the volume of factory employment and payrolls increased further. Loans and investments of member banks in leading cities continued to decline between the middle of April and the middle of May, and were at that time at approximately the same level as a year ago.

PRODUCTION—Industrial activity increased in April to the highest level on record. The iron and steel and automobile industries continued exceptionally active during April. Activity in copper refining, lumber, cement, silk and wool textiles, and in the meat packing industry increased, and production of cotton textiles showed a less than seasonal reduction. Factory employment and payrolls increased, contrary to the seasonal trend. Output of mines was also larger in April. Copper and anthracite coal production increased and the seasonal decline in output of bituminous coal was smaller than usual. Petroleum production declined slightly.

Preliminary reports for the first half of May indicate a continued high rate of operation in the iron and steel industry. Output of lumber and bituminous coal was somewhat larger during the first part of May than at the end of April.

Building contracts awarded during the month of April increased sharply and for the first time in five months ap-

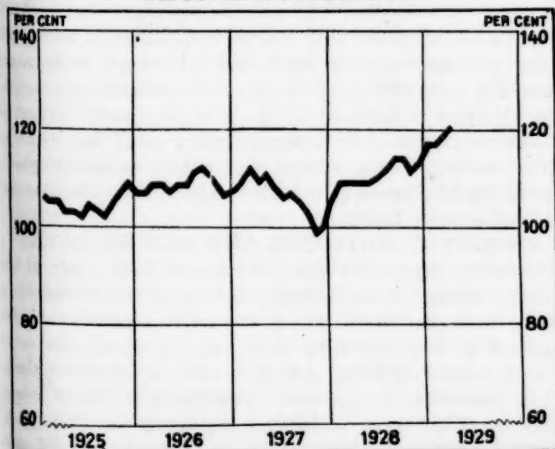
proximated the total for the corresponding month in the preceding year. The increase was not continued, however, in the first part of May when awards averaged 20 per cent below the same period in May 1928. During April most classes of building showed seasonal increases over March, the largest being in contracts for residential building and public works and utilities.

DISTRIBUTION—Shipments of commodities by rail increased during April and were the largest for this month in any recent year. The increase from March reflected larger loadings of miscellaneous freight, lumber, live stock, and ore. During the first half of May shipments of freight continued to increase.

Sales at wholesale declined seasonally in April, except in the case of grocery and hardware firms. In comparison with April 1928, all lines of trade reporting to the Federal Reserve System showed increases. Department store sales were also smaller in April than in March, but continued above the level of a year ago.

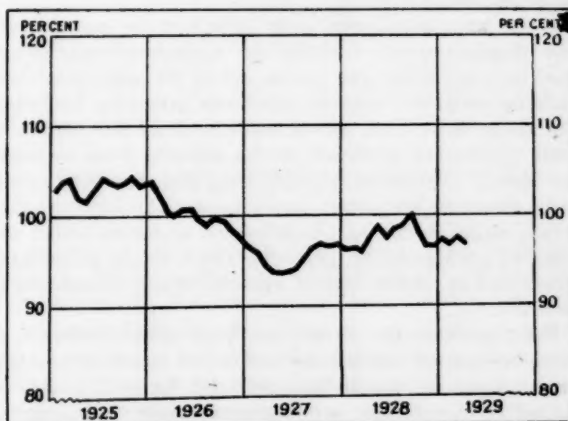
PRICES—Wholesale commodity prices averaged slightly lower in April than in March, according to the index of the United States Bureau of Labor Statistics, reflecting primarily declines in prices of farm products and their manufactures. Prices of mineral and forest products and their manufactures, on the average, showed little change.

INDUSTRIAL PRODUCTION



Index number of production of manufactures and minerals combined, adjusted for seasonal variations (1923-25 average = 100). Latest figure, April, 1929: 121.

WHOLESALE PRICES



Index of U. S. Bureau of Labor Statistics (1926 = 100, base adopted by Bureau). Latest figure, April, 1929: 96.8.

Compiled May 27, 1929

There were increases in the prices of iron and steel, and sharp declines in copper, lead, and tin. Seasonal declines occurred in prices of coal and coke, while gasoline prices advanced. Prices of farm products and their manufactures averaged lower in April than in March. Prices of grain, especially wheat, moved downward more sharply, and wool and cotton continued to decline. Live stock and meat prices continued the upward movement of the previous month but at a slower rate; hides average slightly higher in price, and leather somewhat lower. Among imported raw materials, rubber, sugar, and coffee showed marked price recessions. Early in May cattle, hides, and wheat prices declined sharply and the price of rubber increased.

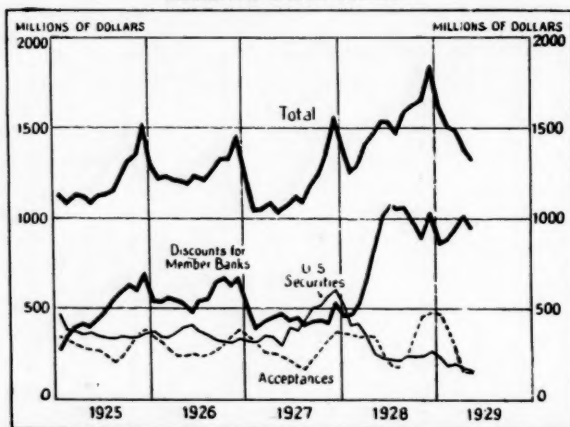
BANK CREDIT—During the four weeks ending May 15, loans and investments of member banks in leading cities showed a decrease of nearly \$200,000,000, largely in loans

on securities together with some further decline in investments. All other loans, chiefly for commercial and agricultural purposes, remained unchanged at a relatively high level.

There was a further reduction in the average volume of reserve bank credit outstanding between the weeks ending April 24 and May 22, owing largely to additions to the country's monetary stock of gold. The decline was in discounts for member banks; holdings of acceptances and of United States securities showed practically no change.

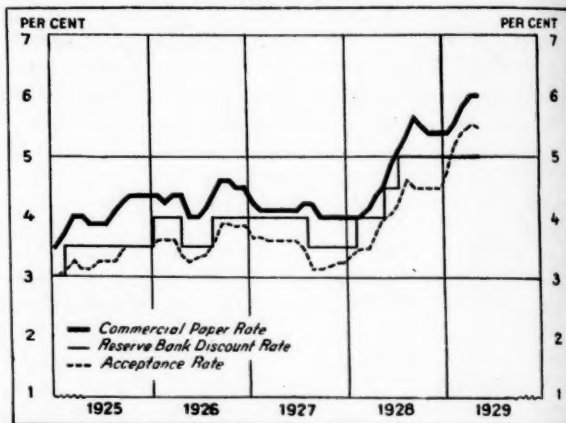
Open-market rates for commercial paper remained unchanged as did rates on prime bankers' acceptances, except for a temporary decline at the end of April and the first week in May. In the first three weeks of May rates on collateral loans averaged considerably higher than in April.

RESERVE BANK CREDIT



Monthly averages of daily figures for twelve Federal Reserve banks. Latest figures, averages of first 22 days in May, 1929: Total Reserve Bank Credit, 1,313 million; Discounts for Member Banks, 951 million; Acceptances, 153 million; U. S. Securities, 155 million.

MONEY RATES



Monthly rates in the open market in New York: commercial paper rate on 4- to 6-month paper, and acceptance rate on 90-day bankers' acceptances. Latest figures, averages of first 24 days in May, 1929: Commercial Paper Rate, 6.00 per cent; Acceptance Rate, 5.47 per cent; New York Reserve Bank discount rate, 5 per cent.

BUSINESS CONDITIONS IN THE SEVENTH RESERVE DISTRICT

Trade and production in the major lines of industry in the Seventh Federal Reserve district showed rather marked expansion in April over a year ago; exceptions, however, were recorded by tanneries, in retail distribution of shoes, and in output of cheese factories. Building contracts decreased from last year, while the volume of building permits increased.

Gains were experienced over March in the manufacture and distribution of automobiles, agricultural machinery, steel castings, butter and cheese, and in the sales of lumber, building materials, woollens, wholesale groceries, hardware, and electrical supplies, and in retail furniture and hardware. Steel production continued at the capacity level recorded for March. Decreases in April from the preceding month were shown in production and shipments by furniture factories, malleable casting foundries, and tanneries, and in the sales of packing-house products, retail shoes, department stores, and in several lines of wholesale trade. Employment increased.

Farm work in the district has been delayed because of excessive rainfall and is from one to two weeks behind last year. Some of the acreage intended for oats has been shifted to other crops; growing grain made slow progress during the latter part of April and early May. A smaller number of spring pigs and a larger crop of lambs were reported for the district than a year ago. The marketing of

live stock increased over last April, and the movement of grain decreased in comparison with March.

Demand for funds in the district continues strong, with higher rates in some banking centers. Total bills and securities of the Chicago Reserve bank have moved downward, and loans to member banks are at the lowest level in more than a year. Commercial paper sales in April dropped as compared with the prior month, and were well below the aggregate of April 1928. Bankers' acceptances showed a reduction from March, but increased over a year ago. Volume of payment by check in the district registered a lower aggregate than in March, and a small rise over the corresponding month a year ago, while savings deposits moved slightly upward in both comparisons. Demand for bonds continues light.

CREDIT CONDITIONS AND MONEY RATES

A strong demand for loans is reported from many of the larger banking centers of the district, accompanied by a rising tendency in rates. Commercial requirements are reported as approximating those of a year ago, in some centers exceeding those of last month and in others slackening somewhat in volume. Conditions in the Chicago money market have undergone no important change in recent weeks; the volume of demand for commercial purposes is slightly in excess of that existing the middle of April; rates have held steady, collateral loans carrying 6½

to 7 per cent, and over-the-counter accommodation $5\frac{3}{4}$ to $6\frac{1}{2}$ per cent. The average rate earned on loans and discounts by six large Chicago banks during the calendar month of April was 6.18 per cent, as against 6.13 per cent in March and 4.89 per cent in April 1928. The corresponding figure for four Detroit banks in April was 5.91 per cent, 5.85 per cent in March, and 5.30 per cent in April a year ago. The prevailing rate on customers' commercial loans in the latter city for the week ending May 15 was $5\frac{1}{2}$ -6 per cent.

Total bills and securities of the Federal Reserve Bank of Chicago amounted to \$125,450,000 on May 15. This item has been decreasing steadily since March 20 when it was \$294,955,000. Loans to member banks on May 15 totaled only \$88,504,000, which compares with \$118,514,000 on April 17. Holdings of United States Government securities May 15 had declined to \$26,300,000 from the \$30,499,000 shown April 17. Federal Reserve notes in circulation amounted to \$304,599,000 on May 15, a slight drop from the preceding week but an increase over the \$300,922,000 shown a month ago. The reserve ratio of the Federal Reserve Bank of Chicago reached 85.9 per cent on May 15, the highest it has been since February 27, 1924.

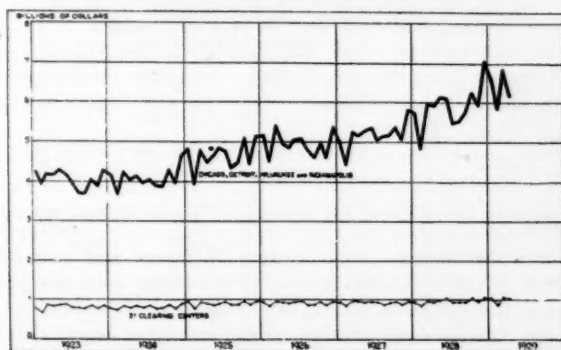
Commercial paper sales in the Middle West showed a recession of 2.6 per cent in April from the preceding month and were 47.2 per cent smaller than a year ago, according to a compilation for nine reporting dealers. Individually, however, five of the firms experienced a gain over March. The supply of bills in April was variously reported as poor, fair, and good, with the average fair; demand continued limited to fair. Sales of four local concerns for the first half of May showed little change in the aggregate from the corresponding period of April. Supply in May ranged between poor and fair, with the demand rather limited and coming principally from country and suburban banks. Quotations for April ranged from $5\frac{3}{4}$ per cent for low to 6 and $6\frac{1}{4}$ per cent for high, the customary charge being 6 per cent. Rates closed on May 14 at $5\frac{3}{4}$ to 6 per cent for low and 6 to $6\frac{1}{4}$ per cent for high, with most paper moving at 6 per cent. Outstandings of five dealers in the Middle West totaled 8.1 per cent less on April 30 than at the end of the preceding month and were 27.1 per cent below last year; outstandings of twenty-three dealers in the United States declined from \$386,725,421 on March 30 to \$350,993,803 at the close of April.

Average weekly transactions of five dealers in the Chicago open bill market were less from April 18 to May 15 than in the preceding period by 17.1 per cent in the quantity of purchases, 29.3 per cent in the volume of receipts from other offices, 67.7 per cent in shipments to other offices, and 19.1 per cent in amount of sales. Gains, however, of 90.9, 3.3, 507.9, and 23.3 per cent, respectively, were recorded in comparison with a year ago. Supplies were rather limited, with demand ranging between poor and fair. Ninety- and 60-day maturities were shown the preference; 30-, 120-, and 180-day bills also were in demand at times. Acceptances were drawn against grain, packing-house products, sugar, cotton, merchandise, wood pulp, lumber, machinery, flour, coal, cheese, raw silk, and miscellaneous commodities. May 15 holdings totaled 69.6 per cent in excess of April 17 and 54.8 per cent greater than last May. Rates eased slightly during the first two weeks of the period and then resumed former levels, closing on May 15 at $5\frac{1}{2}$ per cent for 30-day offerings to $5\frac{1}{2}$ and $5\frac{3}{4}$ per cent for those of 180 days.

Fourteen reporting banks in the Seventh district accepted a 36.8 per cent smaller quantity of bills during April than in the preceding month, although the volume was 18.8 per cent in excess of a year ago. Purchases and sales showed decreases of 76.2 and 49.0 per cent, respectively, from March and were 30.8 and 27.9 per cent below last year; individually, however, half of the firms reported gains in the latter comparison. The acceptances of three Chicago banks totaled 3.6 per cent larger during the first half of May than for corresponding weeks of the preceding month and were drawn against grain, cotton, packing-house products, coffee, bagging, steel, petroleum products, rubber, hides, and miscellaneous items. Liability of the banks for outstanding acceptances declined 5.0 per cent from March 30, though remaining 50.4 per cent above a year ago. Portfolios were 17.5 per cent heavier on April 30 than at the close of the preceding month and exceeded those of the corresponding date of 1928 by 173.6 per cent, but with a majority of the individual banks showing a recession in the latter comparison. These holdings contained 240.5 per cent more of the accepting banks' own bills than on March 30. Purchases of the Federal Reserve Bank of Chicago amounted to \$9,624,120 during the month compared with \$10,210,074 in March and the bank held \$4,123,644 of this class of bills in its portfolio on April 30.

Volume of Payment by Check—A decrease of 9.1 per cent from March was shown in the aggregate of payment by check in April, as reported by thirty-eight clearing house centers in the Seventh Federal Reserve district. Of the four larger cities, Chicago, Detroit, Milwaukee, and Indianapolis, Detroit alone showed a gain in this comparison (6.7 per cent), the decline in the total for the four amounting to 10.2 per cent. In thirty-four smaller cities reporting the item, the drop in the April aggregate from March was 2.2 per cent. As against April 1928, a gain of 5.5 per cent in the total for thirty-eight cities was registered, and one of 4.6 per cent for the four larger cities, while the thirty-four smaller reporting centers increased their volume of check payment over April 1928, by 10.8 per cent.

VOLUME OF PAYMENT BY CHECK
Checks Drawn On Clearing House Banks, 7th District



Figures used are estimates for calendar months based on weekly reports to this bank. Latest figures, April, 1929, in thousands of dollars: Chicago, Detroit, Milwaukee, and Indianapolis, 6,170,439; 31 Other Clearing House Centers, 1,031,340.

Savings Deposits—According to a compilation for 201 reporting banks in the Seventh district, the number of savings accounts and aggregate deposits were larger on May 1 than the preceding month or a year ago. Increases recorded in the two comparisons were 0.6 per cent and 2.7 per cent, respectively, in the number of accounts and 0.4 per cent and 1.6 per cent in total savings deposits. All

states but Wisconsin showed a decline in the average account in both the monthly and yearly comparisons, Wisconsin registering a gain of 0.3 per cent over April 1. A decrease in total deposits for Illinois and Indiana marked the only recessions in state totals from a month previous. Individually, 124 of the reporting banks in the district had a larger volume of deposits on May 1 than on April 1 and a like number showed an increase over the corresponding date of 1928.

AGRICULTURAL PRODUCTION AND FOODSTUFFS

Reports sent direct to this bank, early in May, by 153 county agents representing 185,329 farmers in the Seventh Federal Reserve district show the spring crop of pigs as 6.2 per cent smaller and that of lambs as 3.8 per cent greater than in the spring of 1928. Seeding, planting, and other farm work were interrupted to a considerable extent during the latter part of April and the first half of May because of rainfall and the moist condition of the fields. The reports indicate that this delay in farm operations has brought about a reduction in the oat acreage from early intentions and has resulted in a corresponding shift to soy beans, corn, and barley. Growing grain was somewhat backward and needed more abundant sunshine and warmth than obtained early in May but generally was in good condition except on low land. Fruit bloomed abundantly this spring, suggesting the possibility of a better crop than in 1928; the present outlook is somewhat uncertain, however, because of late frosts and also because of more or less unfavorable weather during the pollination period.

The United States Bureau of Agricultural Economics forecasts a crop of 90,401,000 bushels of winter wheat and of 9,329,000 bushels of rye in the five states including the Seventh Federal Reserve district, as compared with harvests of 50,918,000 and 7,354,000 bushels, respectively, in 1928. The United States crop for 1929 is estimated as 595,335,000 bushels of winter wheat and 44,366,000 bushels of rye, compared with 578,964,000 and 41,766,000 bushels raised a year ago. Hay and pastures were in excellent condition on May 1.

FLOUR PRODUCTION IN THE SEVENTH DISTRICT

Changes in April, 1929, from previous months			
	PER CENT CHANGE FROM		COMPANIES
	MARCH 1929	APRIL 1928	INCLUDED
Production (bbls.)	+ 0.5	- 9.6	32
Stocks of flour at end of month (bbls.)	- 1.2	- 0.1	28
Stocks of wheat at end of month (bu.)	-12.6	+ 0.6	28
Sales (volume)	+15.4	-26.8	13
Sales (value)	+10.7	-38.9	13

Production includes wheat and other flours. Balance of items refer to wheat flour only.

Grain Marketing—April receipts of wheat and corn at interior primary markets in the United States were smaller than in the preceding month or a year ago, though exceeding the 1924-28 April average. Reshipments of wheat from these centers decreased from March and increased over the corresponding period of 1928; those of corn showed an opposite trend, and the volume of each of the commodities was above the average. The quantity of oats handled during the month by these markets was greater than in March but less than last year and the 1924-28 average for April. Visible supplies of grain, with the exception of rye, decreased at interior primary markets in the United States on May 11 compared with the corresponding Saturday of April. Wheat, oats, rye, and barley holdings were much larger than on May 12, 1928; the stock of corn declined.

Bonds—The demand for bonds continues very light. The volume of new offerings is small and is considerably under that of a year ago. An increase in municipal offerings was apparent, however, together with a noticeable decline in public utility financing. As in previous months convertible issues were in demand, although the uncertainty of the stock market has tended to strengthen the position somewhat of straight bond issues. Individual investors were the important purchasers, although insurance companies have continued to buy in fair volume.

April transactions in grain futures by members of the Chicago Board of Trade aggregated 18.7 per cent more than a month previous and 27.2 per cent smaller than a year ago. Prices averaged lower during the period than in March.

Movement of Live Stock—April receipts at public stock yards in the United States exceeded those of March, a year ago, and the 1924-28 average for the month; the number of cattle decreased slightly in the latter comparison.

LIVE STOCK SLAUGHTER

	CATTLE	HOGS	LAMBS AND SHEEP	CALVES
Yards in Seventh District, April, 1929	210,070	761,271	298,034	171,399
Federally Inspected Slaughter, U. S.				
April, 1929	662,382	3,761,230	1,118,935	460,297
March, 1929	631,778	3,645,301	1,006,305	408,796
April, 1928	623,380	3,446,338	917,728	438,257

Reshipments to feed lots showed a seasonal expansion in April over the preceding month and were considerably above the corresponding period of 1928 and the five-year average.

AVERAGE PRICES OF LIVE STOCK

(Per hundred pounds at Chicago)

	WEEK ENDED MAY 18, 1929	APRIL 1929	MONTHS OF MARCH 1929	APRIL 1928
Native Beef Steers (average)	\$13.70	\$13.50	\$12.70	\$13.10
Fat Cows and Heifers	11.00	10.70	10.20	9.85
Calves	11.50	13.35	15.10	11.50
Hogs (bulk of sales)	10.85	11.50	11.55	9.25
Yearling Sheep	11.00	14.00	14.00	13.55
Lambs	14.10	16.15	16.85	16.80

Meat Packing—Slaughtering establishments in the United States produced a larger quantity of edible products during April than in the preceding month or a year ago. Employment for the last payroll of the period showed a decline of 1.1 per cent in number of workers, but an increase of 1.7 per cent in hours worked and of 2.3 per cent in total amount over corresponding figures for March. Trade in domestic markets remained rather quiet for beef, veal, lamb, and lard, and continued fair for fresh pork; demand for salt pork and smoked meats was a little slow during the first two weeks and then improved after mid-month. Sales billed to domestic and foreign customers by sixty-one meat packing companies in the United States totaled 1.5 per cent less in value during April than in the preceding month and exceeded those of last April by 9.3 per cent. Domestic demand averaged fair at the beginning of May, some improvement being shown over early April. Inventories at packing plants and cold-storage warehouses in the United States declined on May 1 from a month previous but were above a year ago and the 1924-28 average for May. Stocks of lard and dry salt pork increased over April 1; those of frozen pork and pickled pork were less than on the corresponding date of 1928, while holdings of pickled beef fell below the five-year average.

Reports direct to this bank by representative concerns recorded an increase in shipments for export over March.

Demand for meats improved during April in the United Kingdom; European purchases of lard were moderate, and Continental demand for other packing-house products remained rather quiet. Lard prices continued slightly below Chicago parity; other quotations were about in line with those of the United States. May 1 consignment inventories, already landed or in transit to European countries, were indicated as heavier than on April 1.

Dairy Products—The quantity of creamery butter manufactured in April by sixty-seven creameries in the Seventh Federal Reserve district totaled 12.6 per cent greater than in the preceding month and 10.3 per cent in excess of a year ago. Production in the United States also gained in both comparisons, according to statistics of the American Association of Creamery Butter Manufacturers. Sales of creamery butter billed to customers by sixty-nine reporting companies in the Seventh district increased 3.5 per cent in volume over March and 4.2 per cent over last

April. Stocks of eggs at cold-storage warehouses and packing plants in the United States were heavier on May 1 than a month previous but were below a year ago; an opposite trend was shown for cheese, while holdings of butter gained in both comparisons. Inventories of butter and eggs were smaller and those of cheese larger than the 1924-28 May 1 average. Wisconsin primary markets received a 16.9 per cent larger tonnage of American cheese, from factories within the state, during the four weeks ended April 27 than in the preceding period, although the volume was 12.6 per cent less than a year ago; redistribution from these centers increased 20.2 per cent and decreased 9.2 per cent in the respective comparisons. April receipts of butter and eggs at Chicago were in excess of a year ago, while those of cheese were smaller; all three commodities gained over March. Prices declined in April from the preceding month.

COAL

Output of bituminous coal from Illinois mines again declined in April, dropping from 4,284,951 tons in March to 3,537,688 tons. A year ago, April production totaled only 1,224,546 tons because of the strike which prevailed. The number of mines in operation during April declined from 183 in the preceding month to 150 and the number of men employed from 54,983 to 44,322; the average number of days worked also showed a slight reduction. The Chicago market for domestic sizes of coal has continued quiet, with further slight weakening in prices, while prices on industrial sizes have remained fairly steady owing to the reduced supply.

Bituminous coal mined in the United States during April, though falling below the March total, was larger than in either April 1928 or 1927. April 1 stocks in the hands of commercial consumers were estimated by the Bureau of Mines, Department of Commerce, as 36,000,000 tons which compares with 41,800,000 tons three months previous and 48,300,000 tons a year ago. Movement of lake coal so far this year, according to the Ore and Coal Exchange, has been considerably heavier than during the first four months of 1928, but very much under the volume for the same period in 1927.

INDUSTRIAL EMPLOYMENT CONDITIONS

The volume of employment at factories of the district was slightly higher April 15 than a month earlier, the increase in the number of workers amounting to 0.5 per cent, while there was a somewhat larger gain—2.3 per cent—in payrolls. Most of the reporting industries followed the trend of the preceding month, metals, vehicles, stone, clay, and glass products, and chemicals showing further advances, while textiles, foods, and paper continued to decline. A reversal of trend took place in the lumber products group which showed a loss in both men and payrolls during April; also in leather products where a gain was recorded in contrast to the March decline. Outside the manufacturing

plants, there were also indications of an increasing demand for labor. Trade and public utilities have added to their volume of employment and building and road construction work are steadily expanding. A curtailment of activity at the coal mines has been an adverse factor in the situation.

At the free employment offices of the various states a noticeable reduction has taken place in the ratio of applicants to available positions. For Illinois there was a drop from 156 per cent in March to 134 in April; Indiana showed an average of 93 per cent as compared with 101; and Iowa's ratio declined from 325 for March to 241 for April.

EMPLOYMENT AND EARNINGS—SEVENTH FEDERAL RESERVE DISTRICT

INDUSTRIAL GROUPS	NUMBER OF WAGE EARNERS			TOTAL EARNINGS		
	WEEK ENDED APRIL 15 1929	MARCH 15 1929	PER CENT CHANGE	WEEK ENDED APRIL 15 1929	MARCH 15 1929	PER CENT CHANGE
All groups (10).....	343,301	341,459	+ 0.5	\$10,038,958	\$9,810,254	+ 2.3
Metals and metal products (other than vehicles).....	136,558	135,083	+ 1.1	4,347,159	4,245,615	+ 2.4
Vehicles.....	42,467	41,391	+ 2.6	1,295,499	1,255,118	+ 3.2
Textiles and textile products.....	25,014	25,164	— 0.6	540,128	627,381	—13.9
Food and related products.....	42,633	43,748	— 2.5	1,276,297	1,132,226	+12.7
Stone, clay, and glass products.....	13,477	12,624	+ 6.8	394,426	362,028	+ 8.9
Lumber and its products.....	27,788	28,415	— 2.2	663,386	674,595	— 1.7
Chemical products.....	10,595	10,344	+ 2.4	288,588	278,242	+ 3.7
Leather products.....	14,111	13,925	+ 1.3	288,412	285,653	+ 1.0
Rubber products.....	4,266	4,301	— 0.8	105,036	109,849	— 4.4
Paper and printing.....	26,392	26,464	— 0.3	840,027	839,547	+ 0.1

MANUFACTURING ACTIVITIES AND OUTPUT

Automobile Production and Distribution—April output of automobiles exceeded the previous record volume of March, production of 537,225 passenger cars in the United States gaining 4.7 per cent in the comparison and totaling 47.2

per cent above April 1928. Truck production of 81,977 compared with 69,733 a month previous and 45,227 a year ago.

Distribution of automobiles in the Middle West, accord-

ing to the April reports of representative dealers and distributors, was heavier in general than for March or for April last year. The number of cars sold at retail declined very slightly in the aggregate from the preceding month, but half the firms showed gains in the comparison and the total value of sales increased. New and used cars on hand at the end of the month, though declining somewhat from a month previous, remain at a higher level than a year ago. Cars sold on the deferred payment plan averaged 52.2 per cent of the total retail sales during April of thirty-eight dealers, which compares with 54.6 per cent in March and 32.7 per cent for twenty-one dealers last April.

MIDWEST DISTRIBUTION OF AUTOMOBILES

	Changes in April, 1929, from previous months		COMPANIES INCLUDED	
	PER CENT CHANGE FROM MARCH 1929	APRIL 1928	MARCH 1929	APRIL 1928
New cars				
Wholesale—				
Number sold	+10.8	+47.1	38	25
Value	+14.2	+31.4	38	25
Retail—				
Number sold	0.6	+62.8	62	38
Value	+4.1	+30.0	62	38
On hand April 30—				
Number	-10.4	+22.6	63	39
Value	-0.7	+14.9	63	39
Used cars				
Number sold	+2.3	+35.7	61	38
Salable on hand—				
Number	-1.8	+25.5	61	37
Value	-2.6	+9.7	61	37

Agricultural Machinery and Equipment—The aggregate value of sales billed to domestic and foreign customers by seventy manufacturers of agricultural machinery and equipment in the United States showed an expansion in April over March of 19.5 per cent in the heavy group and of 32.6 per cent in barn equipment, with a seasonal recession of 5.3 per cent in "all other" (exclusive of barn supplies).

Sales in the tractor, thresher, combination harvester-thresher group increased 72.3 per cent in comparison with April 1928, and gains of 7.9 and 41.4 per cent, respectively, also were recorded in barn equipment and light machinery.

PRODUCTION AND SALES OF FARM EQUIPMENT IN THE UNITED STATES

	Changes in April, 1929, from previous months		COMPANIES INCLUDED
	PER CENT CHANGE FROM MARCH 1929	APRIL 1928	
Domestic sales billed	+7.1	+51.1	70
Sales billed for export	+10.8	+53.9	38
Total sales billed	+3.7	+51.5	70
Production	+0.6	+22.0	69

Production computed from average employment during the month. Sales based on value.

Iron and Steel Products—Capacity output continued during April and early May from steel mills of the Chicago district, with demand maintained at a higher rate than shipments so that unfilled orders have increased. Consumer buying, however, is reported as for current needs only. District production of pig iron during April exceeded the record volume of March, averaging 25,610 tons daily for Illinois and Indiana compared with 25,509 in March. Pig iron output in the United States averaged 122,087 tons daily, a record for the month. Average daily steel ingot output in the country of 189,924 tons represented a slight decline from the record of March but was higher than in any other month. Another increase was recorded on April 30 in

unfilled orders of the United States Steel Corporation, the total of 4,427,763 tons gaining about 17,000 tons over March and comparing with 3,872,133 tons a year ago.

Prices of finished steel at Chicago and in the country as a whole continue to strengthen, although scrap iron and steel prices have been off slightly since the first of May.

Orders booked by steel and malleable casting foundries in the Seventh district declined in April from March, but were received in much larger volume than a year ago. Steel casting foundries reported shipments and production in excess of the preceding month and also heavier than a year ago; malleable casting foundries showed a recession from March in these items but recorded gains over April last year. April shipments of stove and furnace manufacturers in the district gained in both the monthly and year-to-year comparison.

Shoe Manufacturing, Tanning, and Hides—Shoe manufacturing in the Seventh Federal Reserve district remained approximately the same in April as in the preceding month, according to preliminary estimates of the United States Department of Commerce. The production and sale of leather, by district tanners reporting direct to this bank, aggregated slightly less than in March and were under a year ago; half of the individual firms reported gains in the first comparison. Quotations held barely steady.

A slightly smaller number of packer green hides and a greater quantity of calf and kip skins were sold in the Chicago market than in March; shipments from the city increased, while purchases of district tanners decreased. Prices firmed.

Furniture—April shipments and production of furniture manufacturers in the Seventh Federal Reserve district were less than in March. Shipments of twenty-four firms declined 5.7 per cent, and the operating rate averaged 75.6 per cent for seventeen companies in April against 77.5 per cent a month previous. In the comparison with a year ago, shipments showed an increase of 11.4 per cent. Orders booked during April were larger than in the preceding month and also heavier than a year ago, the gains recorded being 8.1 and 31.5 per cent, respectively; in the monthly comparison, however, the majority of firms registered declines. New orders booked during the month were larger than shipments, effecting an increase of 5.5 per cent in unfilled orders on hand April 30; the item showed a gain of 60.3 per cent over the corresponding date of last year.

Raw Wool and Finished Woolens—The quiet condition of the raw wool market continued through April, and trading was very spotty. Prices eased off a little on nearly all grades, the declines being especially noticeable in the medium qualities. The market in foreign wools is inactive. Stocks of raw wool in dealers' hands on March 31 (Bureau of the Census report) were lower than on December 31 but above the corresponding date a year ago; manufacturers' stocks were lighter than on March 31 last year. Reports from manufacturers of finished goods in the Seventh Federal Reserve district show an increase in both production and sales.

BUILDING MATERIAL AND CONSTRUCTION ACTIVITIES

A further expansion took place in the demand for lumber during April, reports from eighteen manufacturers and wholesale dealers of the district showing a gain of 9.6 per cent in dollar sales over a month previous and an excess of 21.6 per cent over the corresponding month of 1928. The gain for the month was somewhat smaller than those reported

for March and February, which amounted to 25 and 15 per cent, respectively. Sales in board-foot volume, as reported by sixteen concerns, registered gains of 5.3 and 8.4 per cent in the monthly and yearly comparison. Accounts outstanding at the close of the month were 121 per cent of monthly sales, as compared with 119 per cent at the

close of March and 125 a year ago. At retail lumber yards of the district sales also showed heavy gains in April, dollar sales of 225 yards exceeding those of the preceding month by 34.7 per cent and a year ago by 10.5 per cent. The ratio of outstanding accounts to sales at these yards was 232 per cent, as compared with 299 and 287 per cent a month and a year earlier. Reports on the condition of stocks gave little indication as to the aggregate trend, about as many firms and yards reporting increases as decreases in both the monthly and yearly comparison. Prices have remained firm in wholesale as well as retail markets.

Lumber receipts at Chicago gained 17.7 per cent during April, while shipments out of Chicago increased 6.3 per cent, net receipts gaining 25.3 per cent over March. Receipts during the first four months of the year have exceeded those of last year by a fraction of one per cent, 0.6; shipments out of the city have been 13.3 per cent larger and net receipts 2.2 per cent smaller.

In the cement industry, plants of the district report increased production as well as shipments, the opening up of a large volume of street paving and road work having greatly increased the requirements for this material. According to the Bureau of Mines, Department of Commerce, shipments of cement to points within the five states in-

cluding the Chicago Federal Reserve district, amounted to 1,660,280,000 barrels during March, the most recent month for which these figures are available; this was more than twice the volume of shipments recorded for February and 0.3 per cent less than those of March 1928. The brick industry also reports a heavy increase in demand for brick, April shipments and deliveries greatly exceeding those of March.

Building and Construction—Contracts awarded in the district during April totaled \$108,181,266 of which amount \$53,016,795, or 49.0 per cent, was for residential construction. Total awards were 0.8 per cent larger than in March but 15.9 per cent below last year's figure, while residential awards gained 50.6 per cent in the monthly comparison and declined 1.4 per cent in the yearly. According to reports received from 101 cities of the district, permits issued during April exceeded those of March by 47.3 per cent in number and 25.5 per cent in estimated cost, while increases of 14.0 per cent in number and 1.9 per cent in cost were recorded over April last year. In the monthly comparison, all states of the district except Indiana showed heavy increases; in the yearly comparison, Michigan and Wisconsin gained but Illinois, Indiana, and Iowa registered declines.

MERCHANDISING CONDITIONS

Wholesale Trade—Half the reporting lines of wholesale trade in the Seventh district showed sales increases in April over March and all six groups had larger sales than for last April, the gains being greatest in the hardware, dry goods, and electrical supply lines. Every hardware and dry goods firm reported increases over a year ago, as did the majority of firms in the other lines. Sales for the first four months of this year likewise have been larger

than for the same period of 1928 in all reporting groups, totaling more by 0.1 per cent in groceries, 7.9 per cent in hardware, 10.8 per cent in dry goods, 3.8 per cent in drugs, 1.9 per cent in shoes, and 18.1 per cent in electrical supplies.

Collections have improved and show increases over a year ago in all lines except groceries. Price levels in general are firm.

WHOLESALE TRADE DURING THE MONTH OF APRIL, 1929

	Net Sales During Month		Stocks at End of Month		Accounts Outstanding End of Month			Collections During Month	
	PER CENT PRECEDING MONTH	CHANGE FROM SAME MONTH LAST YEAR	PER CENT PRECEDING MONTH	CHANGE FROM SAME MONTH LAST YEAR	PER CENT PRECEDING MONTH	CHANGE FROM SAME MONTH LAST YEAR	RATIO TO NET SALES DURING MONTH	PER CENT PRECEDING MONTH	CHANGE FROM SAME MONTH LAST YEAR
Groceries	(32)+ 3.3	(32)+ 3.9	(22)- 6.4	(21)- 1.1	(29)+ 0.8	(29)- 7.8	(29) 103.0	(24)+ 0.4	(24)- 7.4
Hardware	(15)+ 9.9	(15)+24.1	(10)+ 1.4	(10)- 1.4	(15)+ 7.1	(15)+ 9.1	(15) 184.6	(12)+25.8	(12)+14.7
Dry Goods	(10)- 3.6	(10)+24.5	(8)- 0.2	(8)- 4.7	(10)+ 1.7	(10)+ 4.0	(10) 302.4	(9)+ 4.4	(9)+10.4
Drugs	(13)- 4.7	(13)+ 5.6	(11)+ 0.2	(11)+ 2.3	(11)- 0.9	(12)+ 2.9	(12) 141.3	(8)+ 7.8	(8)+ 7.2
Shoes	(8)-26.1	(8)+ 8.4	(6)+ 6.6	(6)+ 2.0	(7)- 3.4	(7)+ 5.8	(7) 298.6	(6)+38.0	(6)+ 8.4
Electrical Supplies.....	(37)+ 2.4	(38)+29.2	(31)+ 0.9	(32)+13.9	(35)+ 5.5	(35)+32.1	(36) 123.6	(26)+ 2.7	(24)+27.2

Figures in parentheses indicate number of firms included.

Department Store Trade—Total April sales by 108 department stores reporting to this bank, though falling 4.8 per cent below the March volume, showed a gain of 1.7 per cent over April last year, while sales for the first four months of 1929 have totaled 4.3 per cent in excess of the corresponding period of 1928. In the comparison with March, stores in Milwaukee and Detroit had larger sales, and those in Chicago, Indianapolis, and smaller cities recorded a decline; only Chicago of the larger cities showed a decrease in aggregate sales from last April. Stocks continue to gain slightly, increasing 0.7 per cent over March 30 and 1.3 per cent over April 30, 1928. Turnover for April averaged .31 and for the four months of this year 1.23.

Collections during April totaled 1.0 per cent heavier than a month previous and 15.5 per cent more than in April a year ago. Accounts receivable the end of the month gained 1.8 and 10.4 per cent in the respective monthly and year-to-year comparisons. April collections totaled 39.8 per cent of accounts receivable the end of March, which compares with 39.9 per cent for the same period of 1928.

Chain Store Trade—The number of stores operated by twenty-two chains gained 0.7 per cent in April over the preceding month, increasing from 2,569 to 2,586, but total sales fell off 6.6 per cent and average sales per store declined 7.2 per cent. As compared with April 1928, the number of stores gained 15.8 per cent, total sales 12.2 per cent, while average sales were less by 3.1 per cent. The cigar, musical instrument, and furniture groups showed increases in the month-to-month comparison, with groceries, five-and-ten cent stores, drugs, shoes, and men's and women's clothing recording declines; as compared with a year ago, aggregate sales of all but musical instrument and men's clothing chains were larger.

Other Retail Trade—Aggregate sales of shoes during April by twenty-four dealers and twenty-five department stores fell 19.1 per cent below the preceding month and were 4.2 per cent under the volume of last April, the majority of firms in both comparisons showing declines. For the first four months of 1929 sales have been 4.5 per cent larger than for the corresponding period of 1928. Stocks

on hand April 30 were heavier by 4.3 and 2.0 per cent, respectively, than a month or a year previous. Collections by dealers during April increased 16.7 per cent over March and 7.6 per cent over a year ago; accounts receivable the end of the month gained 5.3 per cent over March 30 and were 7.9 per cent above April 30 last year. The ratio of accounts receivable to sales during the month averaged 63.3 per cent for April this year, 53.1 per cent in March, and 57.9 per cent for April a year ago.

Gains of 29.2 and 12.0 per cent over March and last April, respectively, were shown in total April sales of furniture and house furnishings by twenty-five dealers and thirty department stores of the district. Installment sales of seventeen dealers totaled 54.0 per cent more in April than a month previous and 3.9 per cent above a year ago. Collections on this type of sales gained 0.6 and declined 3.4 per cent in the respective monthly and year-to-year comparisons, while total collections increased 12.8 and 5.1 per cent. Accounts receivable on April 30 were 0.1 per cent larger than at the end of March and 4.6 per cent under a

year ago. Stocks of both dealers and department stores were 2.7 per cent less than on March 30 but 0.8 per cent heavier than on the corresponding date of 1928.

April sales by ninety-six retail hardware dealers in the five states including the Seventh district were 21.4 per cent heavier than in the preceding month and 20.9 per cent above a year ago. All of the states—Illinois, Indiana, Iowa, Michigan, and Wisconsin—registered gains in both the monthly and yearly comparisons. Michigan showed the heaviest increase over March, 61.1 per cent, while Iowa had the largest gain over last April, 33.0 per cent. Less than one-fourth of the reporting firms showed declines either from March or a year ago. For the first four months of this year, Illinois, Michigan, and Wisconsin have recorded expansion over the same period of 1928 of 7.4, 13.1, and 4.3 per cent, respectively, and Iowa and Indiana show losses of 1.9 and 0.9 per cent; the aggregate for the five states increased 5.5 per cent in the comparison, with fifty of eighty-four firms reporting gains.

MONTHLY BUSINESS INDICES COMPUTED BY FEDERAL RESERVE BANK OF CHICAGO

(Index numbers express a comparison of unit or dollar volume for the month indicated, using the monthly average for 1923-1924-1925 as a base, unless otherwise indicated. Where figures for latest month shown are partly estimated on basis of returns received to date, revisions will be given the following month. Data refer to the Seventh Federal Reserve District unless otherwise noted.)

	No. of Apr. Firms 1929	Mar. 1929	Apr. 1928	Mar. 1928
Meat Packing—(U. S.)—				
Sales (in dollars).....	59	113.4	115.2	103.8 103.3
Casting Foundries—				
Shipments:				
Steel—In dollars.....	15	111.7	99.8	79.0 92.3
In tons.....	15	119.9	108.9	81.0 98.5
Malleable—In dollars.....	17	86.5	87.1	68.4 82.8
In tons.....	15	122.3	131.2	97.4 111.4
Stoves and Furnaces—				
Shipments (in dollars).....	12	113.3	93.6	91.2 96.5
Agricultural Machinery & Equipment—(U. S.)—				
Domestic Sales (in dollars).....	83	271.4	246.7	184.4 216.8
Exports (in dollars).....	56	288.0	298.3	201.8 211.4
Total Sales (in dollars).....	83	274.0	255.0	187.2 216.0
Production.....	82	186.0	185.1	148.3 143.9
Furniture—				
Orders (in dollars).....	27	103.7	96.2	77.9 100.0
Shipments (in dollars).....	27	101.0	107.4	91.5 115.9
Electric Energy—				
Output of Plants (KWH).....	8	155.6	163.2	137.3 151.2
Industrial Sales (KWH).....	8	199.1	189.3	163.1 163.3
Flour—				
Production (in bbls.).....	32	84.1	83.7	93.1 108.1
Output of Butter by Creameries—				
Production.....	74	114.5	101.5	104.0 98.0
Sales.....	74	99.0	96.2	94.4 94.8
Iron and Steel—				
Pig Iron Production ¹ :				
Illinois and Indiana.....		147.7	147.2	133.3 133.1
United States.....		124.3	122.0	108.1 105.1
Steel Ingot Production—(U. S.) ¹		142.5	146.0	129.2 125.3
Unfilled orders U. S. Steel Corp.....		92.7	92.4	81.1 90.8
Freight Carloadings—(U. S.)—				
Grain and Grain Products.....		78.9	91.7	87.5 101.6
Live Stock.....		81.2	72.7	80.1 85.8
Coal.....		86.8	88.8	84.6 93.7
Coke.....		100.2	104.7	85.0 90.6
Forest Products.....		97.4	94.5	90.1 95.5
Ore.....		79.2	29.8	27.7 22.0
Merchandise and Miscellaneous.....		115.4	110.8	109.5 106.8
Total.....		104.3	100.1	97.9 99.0
U. S. Primary Markets—²				
Grain Receipts:				
Oats.....		45.4	41.0	60.7 68.0
Corn.....		71.3	104.0	92.3 182.5
Wheat.....		49.5	77.8	53.6 75.1
Grain Shipments:				
Oats.....		43.8	38.0	63.4 61.5
Corn.....		78.8	63.1	91.8 112.1
Wheat.....		47.6	48.5	41.2 43.5

Wholesale Trade—

	No. of Apr. Firms 1929	Mar. 1929	Apr. 1928	Mar. 1928
Net Sales (in dollars):				
Groceries.....	37	94.0	90.5	88.5 94.4
Hardware.....	16	105.0	95.8	84.6 88.1
Dry Goods.....	10	85.0	88.1	68.3 81.9
Drugs.....	12	103.4	108.4	97.0 109.9
Shoes.....	8	93.6	126.6	86.3 110.4

Retail Trade (Dept. Stores)—

	No. of Apr. Firms 1929	Mar. 1929	Apr. 1928	Mar. 1928
Net Sales (in dollars):				
Chicago.....	33	99.7	108.9	103.7 101.2
Detroit.....	4	168.3	166.7	148.3 143.1
Indianapolis.....	5	98.3	108.6	94.9 105.3
Milwaukee.....	5	109.1	106.5	104.6 107.6
Outside.....	54	99.4	106.7	96.7 102.7
Seventh District.....	101	112.2	118.1	109.6 109.6

Retail Trade—(U. S.)—

	No. of Apr. Firms 1929	Mar. 1929	Apr. 1928	Mar. 1928
Department Stores.....	527	104	110	102 103
Chain Stores:				
Grocery.....	34	232	235	202 209
Drug.....	13	186	196	155 163
Shoe.....	7	123	159	130 117
Five and Ten Cent.....	14	142	156	135 133
Candy.....	4	121	152	130 119
Apparel.....	5	220	241	195 200

Automobile Production—(U. S.)—

	No. of Apr. Firms 1929	Mar. 1929	Apr. 1928	Mar. 1928
Passenger Cars.....		181.9	173.8	123.6 125.9
Trucks.....		232.0	197.3	128.0 117.4

Stamp Tax Collections—³

	No. of Apr. Firms 1929	Mar. 1929	Apr. 1928	Mar. 1928
Sales or Transfers of Capital Stock.....		282.8	493.9	192.3 226.1
Sales of Produce on Exchange—Futures.....		75.5	69.8	62.8 57.0

Building Construction—

	No. of Apr. Firms 1929	Mar. 1929	Apr. 1928	Mar. 1928
Contracts awarded (in dollars):				
Residential.....		180.6	119.9	183.1 168.9
Total.....		158.0	156.6	187.8 157.8
Permits:				
Chicago.....	Number	69.9	53.6	64.9 74.6
Cost.....		91.3	74.8	107.0 129.2
Indianapolis.....	Number	71.3	59.1	79.7 75.7
Cost.....		59.0	87.5	86.5 62.4
Des Moines.....	Number	69.1	45.4	80.4 67.0
Cost.....		53.1	28.8	40.6 43.2
Detroit.....	Number	104.3	76.8	90.0 78.5
Cost.....		88.5	91.3	83.3 73.8
Milwaukee.....	Number	109.6	73.8	84.9 73.8
Cost.....		128.7	107.1	111.8 93.2
Others (45).....	Number	136.6	88.2	119.3 87.8
Cost.....		139.4	88.6	111.5 101.8
Fifty Cities.....	Number	110.5	74.2	96.2 80.0
Cost.....		102.3	83.4	101.8 120.4

¹Average daily production; ²Monthly average receipts 1923-24-25=100; ³First Illinois internal revenue district.

